

ACTION PLAN

Submitted by agency?	No
Timeline assigned?	No
Responsibility assigned?	No

Public Education Department

At-Risk Student Programs

Prekindergarten. The Public Education Department (PED) announced funding requests for prekindergarten programs at school sites reached a record high of 7,755 students for FY20, and increase of 1,023 student slots (or 15 percent) from the prior year. The number of full-day program requests is expected to increase by 1,857 student slots (or 58 percent) and drive up costs for prekindergarten programming significantly. At the current reimbursement rate of \$3,206.20 for half-day programs and \$6,412.40 for full-day programs, the estimated cost to cover the projected FY20 request would be \$41.2 million, not including transportation requests from schools or PED administrative costs.

Including the TANF transfer, the 2019 General Appropriation Act (GAA) appropriates \$42.5 million for PED prekindergarten programs, a \$10 million (or 30.7 percent) increase from FY19 funding levels. However, PED's FY20 prekindergarten operating budget includes \$4.5 million for administrative overhead, teacher scholarships, transportation, and coaching – effectively leaving only \$38 million for grants to school sites. PED notes the mandated teacher salary raises in FY20 will increase costs of hiring prekindergarten teachers, particularly for smaller program sites. As such, the department is proposing an increase in the reimbursement rate to \$7,000, which would limit prekindergarten to 7,000 slots statewide (3,087 half-day and 3,913 full-day programs).

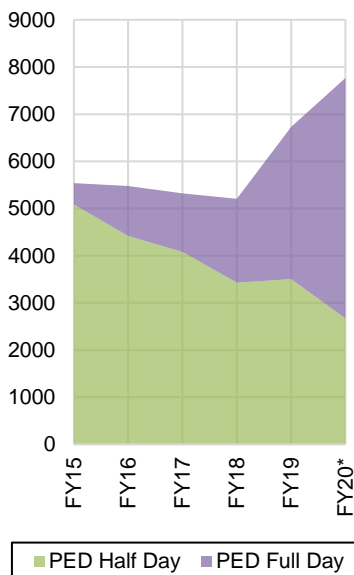
Some school sites that previously combined half-day prekindergarten programs to provide “full-day programs” for only two days a week expressed their intent to apply for full-day programming, prior to the governor’s veto of language in the 2019 GAA that required prekindergarten sites to offer the same number of days each week as their local school. PED indicated that all program sites are providing the required number of programming hours but number of days may vary depending on regional scheduling decisions.

The 2019 GAA also increased funding for prekindergarten slots administered by the Children, Youth and Families Department (CYFD) by \$10 million. Further, Head Start services for four-year-olds has declined, suggesting that growth in PED prekindergarten programs may be crowding out these federal programs in certain areas. CYFD, PED, LFC, LESC, DFA, and other agencies are working together to identify regional programming needs, service capacity, and opportunities to braid multiple revenue streams for prekindergarten.

K-5 Plus. According to PED, approximately 23 thousand students in 211 schools will participate in K-5 Plus extended school year programs in FY20. Although this represents an increase of 4,731 students (or 26 percent) from FY19 service levels, participation in the program is still significantly below the service capacity budgeted in the 2019 GAA (about 87.5 thousand students). At the current participation level, an estimated \$88 million of the \$120 million appropriation for K-5 Plus programs will revert to the public education reform fund.

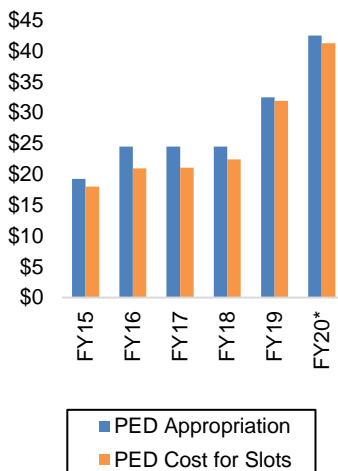
Thirty-eight school districts and three charter schools applied for K-5 Plus programs, with some districts like Jemez Valley, Deming, and Hatch enrolling nearly all elementary school students. Wagon Mound, the smallest district that applied, enrolled

**4-Year-Old
Prekindergarten Slots**



*Projected requests.
Source: PED

**4-Year-Old
Prekindergarten
Funding and Costs
(in millions)**

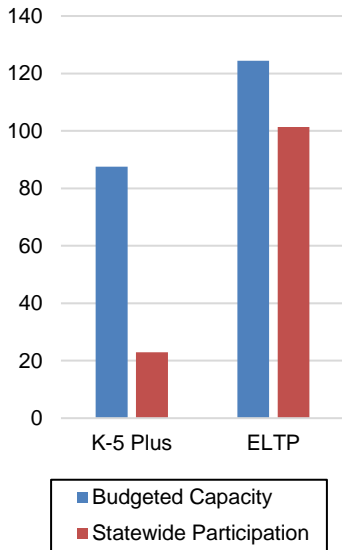


*Based on projected requests and current reimbursement rates.
Source: PED

PERFORMANCE REPORT CARD

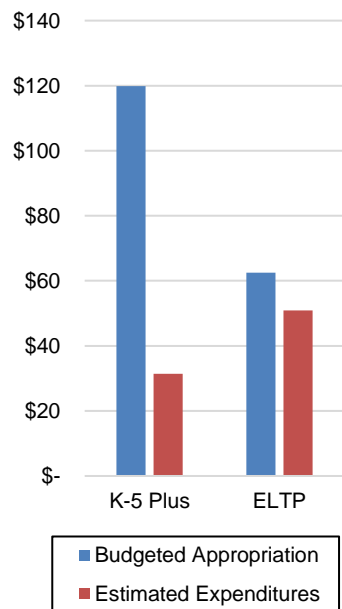
Public Education Department
Third Quarter, Fiscal Year 2019

Estimated K-5 Plus and ELTP Student Participation
(in thousands)



Source: PED

K-5 Plus and ELTP Appropriations and Expenditures
(in millions)



Source: PED

24 students, or two-thirds of the district's kindergarten through fifth grade student population. Albuquerque Public Schools, the largest district, enrolled 4,309 students, or 11 percent of the district's kindergarten through fifth grade student population.

Extended Learning Time Programs. PED reports over 101 thousand students will participate in new extended learning time programs (ELTP) in FY20. The 2019 GAA included sufficient funding to serve 124 thousand students in ELTPs. As such, about 23 thousand slots will remain open, resulting in an estimated \$11.6 million reversion to the public education reform fund.

Twenty-five school districts and 13 charter schools applied for ELTPs, and 17 districts applied for both K-5 Plus and ELTPs. Most districts applying for ELTP enrolled over half of all students within the district, and PED notes four districts (Deming, Gadsden, Gallup, and Los Lunas) will fully implement ELTPs across the entire district. PED staff note ELTP implementation will differ between schools based on submitted applications. While this variance allows for local innovation, it will also create potential challenges in comparing program impacts across schools statewide.

Participation in K-5 Plus and ELTPs by large districts, like Albuquerque, and micro districts, like Wagon Mound, suggest these programs are compatible in any school district or charter school, regardless of enrollment size. Despite this, many school districts did not apply for either program, suggesting other factors may be discouraging them from participating. Several districts have shown intent to apply for K-5 Plus or ELTPs in FY21 after gaining community buy-in and observing how programs roll out in the first year. PED notes participation in both programs will provide additional learning time for students, extra income for teachers, and more savings for families and communities.

Department Operations

In the third quarter, PED improved performance on operational processes, such as reimbursement turnaround and audits of funding formula components. The agency reported its highest vacancy rate in FY19 at 9.9 percent, averaging 217 FTE.

Budget: \$11,246.6 **FTE:** 240.8

Measures:	FY17 Actual	FY18 Actual	FY19 Target	Q1	Q2	Q3	Rating
Eligible children served in state-funded prekindergarten*	8,572	8,418	N/A	9,974	9,920	9,920	G
Eligible children served in K-3 Plus**	13,778	18,222	N/A	18,222	18,227	18,227	G
Average days to process reimbursements	18	22.8	24	25	37	23	G
Data validation audits of funding formula components	21	28	20	3	3	22	G
Program Rating:	Y	G					G

*Includes 4-year-old prekindergarten administered by the Children, Youth and Families Department. The FY19 Quarter 2 figure includes 6,732 students in PED prekindergarten and 3,227 students in extended-day programs.

**Represents participation by summer program, not fiscal year (e.g. FY17 is summer 2017). The FY18 Actual and FY19 figures include 2,251 students participating in the K-5 Plus pilot.